Saskatchewan
Ministry of
Agriculture

This information is provided as a resource by Saskatchewan Agriculture staff.
All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
Please use this information at your own risk.

Cattle Market Update

For the Week Ending April 19, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	140-160	149.38	-3.79
500-600	135-158	145.50	-2.28
600-700	129-148	137.16	-3.98
700-800	119-136	127.80	-2.95
800-900	114-127	118.60	-1.83
900+	108-117	110.88	-1.31

Heifers

	Range	Average	Change from last week
300-400	122-138	129.04	-2.96
400-500	126-139	131.50	-3.00
500-600	122-134	128.33	-0.96
600-700	116-130	122.00	-2.00
700-800	109-123	115.00	-0.58
800+	105-114	108.55	-2.16

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 12,224 head of cattle were sold in Saskatchewan this week, down from 13,114 head marketed during the previous week.

Feeder cattle prices continued to decline this week, with all classes of cattle lower. Feeder steers weighing 600 to 700 lb. declined $3.98 per cwt., representing the largest loss for the week. The 700 to 800 lb. feeder heifers reported the smallest loss on the week at $-0.58 per cwt. Weaker demand for feeder cattle in Western Canada was likely in part due to tight feed supplies and continued winter weather conditions. Cash feeder cattle prices moved lower with feeder cattle futures prices over the week.

Feeder cattle futures prices continued lower this week with contracts US$1.00 to US$3.90 per cwt lower (-0.7 to - 2.8 per cent), week-over-week. Friday's USDA Cattle on Feed Report which indicated larger feeder placements in March will likely be negative to markets over the short term. Live cattle futures prices were mixed over the week but had small gains in nearby contract months. Live cattle future prices ranged from US$0.550 per cwt higher to US$0.525 per cwt lower, week-over-week (Friday).

The Saskatchewan 750 lb. feeder steer basis compared to the April 18, 2013 U.S. feeder cattle index at US$134.53 per cwt was calculated at -$10.26 per cwt (US$134.53/0.9744 - $127.80), a basis widening of $0.92 per cwt from -$9.34 per cwt the previous week.

United States Department of Agriculture's (USDA) Foreign Agriculture Service released their latest forecast of world meat production this week. World production of beef in 2013 is forecasted to increase 0.5 per cent from 2012, with the largest increases to come from India (+9.8 per cent) and Argentina (+6.9 per cent). Beef production in the United States is forecasted to decline 4.0 per cent and production in Canada is forecasted to decline 7.0 per cent, from 2012.

On Friday, April 19, 2013, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for April 1, 2013.

April 1, 2013, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)			
	2012	2013	Per cent of previous year
On feed March 1	11,677,000	10,857,000	93
Placed during March	1,792,000	1,899,000	106
Marketed during March	1,918,000	1,771,000	92
Other disappearance during March	69,000	76,000	110
On feed April 1	11,482,000	10,909,000	95

Source: USDA

The current USDA Cattle on Feed (COF) report indicated that cattle on feed numbers for April 1, 2013 were 10.909 million head, down 5.0 per cent from 11.482 million head on April 1, 2012, but up 0.5 per cent from 10.857 million head on March 1, 2013. The number of cattle placed on feed in March 2013 was up 6.0 per cent while the number of fed cattle marketed in March was down 7.7 per cent, compared to March 2012. The average trade estimates for March placements were 99.1 per cent, noticeably lower than the 106 per cent in the report. The increased cattle placed on feed will likely put feeder cattle futures markets under defensive pressure in the short term.

Fed and Non-fed Cattle

	April 19	April 12	Change
Steers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Heifers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Cows (Alberta)			
D1,2 Live	79.79	78.83	+0.96
D3 Live	71.74	69.90	+1.84
Rail	150.00-155.00	148.00-153.00	+0.00

Source: Canfax.

There were no liveweight or rail prices reported for fed cattle in Saskatchewan. Prices for liveweight, non-fed cattle in Alberta were higher from the previous week with D1,2 slaughter cows increasing $0.96 per cwt to average $79.79 per cwt, while D3 slaughter cows increased $1.84 per cwt to average $71.74 per cwt. Fed cattle prices in Western Canada were generally steady to higher with the price of fed steers in Alberta reported at $113.86 per cwt, up $1.16 per cwt or 1.0 per cent from $112.70 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$126.30 per cwt, down 0.7 per cent from US$127.20 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$200.43 per cwt, down 0.4 per cent from US$201.26 per cwt the previous week.

Average Choice beef cutout values (Choice 600-900 lb.) for the week ending April 20 averaged US$190.51 per cwt., down slightly from US$190.60 per cwt. the previous week, but up 2.9 per cent from US$185.12 per cwt. for the same week a year ago.

U.S. beef production for the week ending April 20 was estimated at 484.0 million lb., up 1.2 per cent from 478.5 million lb. during the previous week, and up 4.2 per cent from 464.9 million lb. a year ago. U.S. weekly cattle slaughter numbers for the week totaled 615,000 head, up 1.5 per cent from 606,000 head the previous week, and up 2.7 per cent from 599,000 head the same week a year ago.

Weekly cash corn prices and corn futures edged lower, week-over-week. Corn futures ranged between 0.5 and 1.3 per cent lower, week-over-week.

Friday Price Information

Product		This Week (April 19)	Week of: (April 12)
Canadian Dollar (closing rate US$)		.9744	.9864
United States Dollar Index		82.766	82.097
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		134.53	138.18
Seven-day Weighted Average FC Index Wt. (lb.)		764	768
Live Fed 5-area Steer Price (US$ per cwt)		126.30	127.20
Feed Grains			
Barley	Lethbridge ($/tonne)	289.00	289.00
	($ per bu.)	6.29	6.29
Corn	Iowa State Average (CDN$/tonne)*	269.89	269.40
	(US$ per bu.)	6.68	6.75
	Omaha, NE (CDN$/tonne)*	273.52	271.79
	(US$ per bu.)	6.77	6.81
Futures			
	May Corn (US$ per bu.)	6.52	6.58½
	July Corn (US$ per bu.)	6.33	6.41¼
	April Live Cattle (US$ per cwt)	126.350	125.850
	August Live Cattle (US$ per cwt)	121.625	121.400
	April Feeder Cattle (US$ per cwt)	134.025	137.925
	October Feeder Cattle (US$ per cwt)	150.075	151.075

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

For more information contact:
Grant Zalinko PAg
Provincial Cattle Analyst
306-787-6607
grant.zalinko@gov.sk.ca